

### Class Waivers from the Investment and Trading Policies for Covered Individuals

Under sections 1(e)(2) and 2(i)(2) of the Investment and Trading Policies for Covered Individuals<sup>1</sup> (“Policy for Covered Individuals”), the Board’s Designated Agency Ethics Official (DAEO) may grant a written waiver exempting categories of assets or transactions from part or all of the requirements in sections 1 or 2 of the policy, respectively, if such waiver would be consistent with the purpose of the policy.

Pursuant to that authority, the following categories of assets or transactions are exempted from the specified provisions of the Policy for Covered Individuals:

Category of Asset or Transaction	Scope of Waiver
A covered individual (or their spouse or minor child) may enter into commodity derivative transactions for personal consumption purposes (rather than investment purposes) – e.g., may enter into futures contracts with a local utility regarding gas, electricity, or heating oil for a personal residence.	Exemption from section 1 of Policy for Covered Individuals.
If a covered individual (or their spouse or minor child) has an ownership interest in a small family farm, they may, to facilitate farm operations: (1) hold commodities; and (2) enter into commodity derivatives transactions for the purpose of hedging risk.	Exemption from section 1 of Policy for Covered Individuals.
If a covered individual (or their spouse or minor child) sells all shares of an issuer, they may at the same time sell any shares of that issuer that were acquired through automatic dividend or capital gains reinvestments within the past year.	Exemption from section 2(b)(1) of Policy for Covered Individuals.
If a covered individual (or their spouse or minor child) is required to sell securities in order to comply with ethics laws, rules, or policies other than the Policy for Covered Individuals, and the proceeds of the sale must be reinvested immediately into other securities, the covered individual (or their spouse or minor child) may reinvest the proceeds of the sale without providing 45-days’ advance notice, provided that the purchase does not occur during an FOMC trading blackout period and the DAEO approves the purchase in advance.	Exemption from section 2(c) of Policy for Covered Individuals.

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<sup>1</sup> The Investment and Trading Policies for Covered Individuals is section (V) of the FOMC Policy on Investment and Trading for Committee Participants and Federal Reserve System Staff.

Category of Asset or Transaction	Scope of Waiver
<p>Certificates of divestiture allow certain individuals to defer paying capital gains tax on property sold to comply with conflict-of-interest requirements, when the proceeds of the sale are reinvested into permitted property within 60 days. If a covered individual (or their spouse or minor child) receives a certificate of divestiture, they may reinvest the proceeds of the sale into permitted property without providing 45-days' advance notice or receiving pre-clearance, provided that the purchase is executed as soon as practicable after the sale and does not occur during an FOMC trading blackout period.</p>	<p>Exemption from section 2(c) and 2(d) of Policy for Covered Individuals.</p>
<p>If a covered individual or their spouse or minor child participates in a defined contribution plan, health savings account, 529 college savings plan, or ABLE account, and the administrator changes the participant's investments (because, for example, the administrator is switching investment companies or investment offerings or automatically selling a portion of assets to pay administrative fees) and the administrator controls the timing of such transactions, the covered individual is not required to provide 45-days' advance notice or obtain pre-clearance of those transactions, and the transactions are not subject to FOMC trading blackout or financial market stress blackout limits.</p>	<p>Exemption from section 2(c), 2(d), and 2(e) of Policy for Covered Individuals.</p>

The waivers described above are found to be consistent with the purpose of the Policy for Covered Individuals.

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Designated Agency Ethics Official